

13th Mid-term Management Plan (FY2026~FY2030)

February 12, 2026
Unicharm Corporation

Projections stated in these materials include those based on the Company's currently obtained assumptions, forecasts and plans regarding the future. Therefore, actual results may differ significantly from projections due to risks associated with market competition, foreign exchange rates, etc. and uncertainties.

- **Review of 12th Mid-term Management Plan (FY2024 - FY2025)**
- **Desirable Future in Year 2030**
- **13th Mid-term Management Plan (FY2026 - FY2030)**
- **Financial Targets for Year 2030**
- **Pathway to 17% ROE**



Review of 12th Mid-term Management Plan (FY2024 - FY2025)

◆ Notations

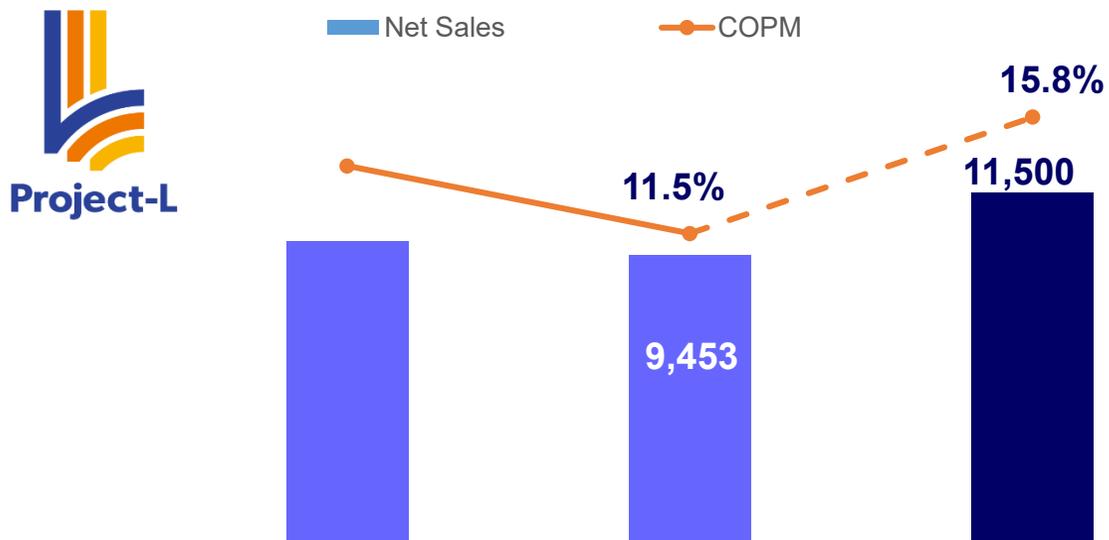
WC: Wellness Care Business

FC : Feminine Care Business

BC : Baby Care Business

PC : Pet Care Business

➤ 12th Mid-term Management plan Summary



	2024 (Result)	2025 (Result)	2026 (12 th Mid-term Management plan)
Net Sales	9,890	9,453	11,500
CAGR*	5.0%	-4.4%	6.9%
COPM	14.0%	11.5%	15.8%
ROE	11.1%	8.3%	15.0%

*Average annual sales growth rate (2024 and 2025 are year-on-year)

Key accomplishments

- (1): Built a model to maximize customer life-time value (“LTV”)
- (2): Established a foundation for PC growth in China, Southeast Asia, and other regions
- (3): Planted seeds for the next growth engines in Africa and other areas
- (4): Steadily expanded activities toward realizing a recycling-oriented society

Key issues

- (1): Insufficient growth acceleration of WC and PC
- (2): Insufficient product/brand superiority and differentiation
- (3): Delay in responding to EC and digital channels
- (4): Insufficient flexibility in pricing strategy and supply chains

- Insufficient competitive advantage in response to shifts in consumer values, channels, and intensifying competition

Changes in consumer needs



Rise of emerging channels and emerging companies



Shift toward a strategy and organizational structure that combines global and local strengths is necessary

Desirable Future in Year 2030

- Pursuing the World's No. 1 value creation company, we aim for the realization of a “cohesive society” and enhancement of corporate value through unique products and services.



Corporate Brand Essence
「Love Your Possibilities」



なんでもできそう。いつでも、いつまでも。

Love Your Possibilities



unicharm
ユニ・チャーム

13th Mid-term Management Plan (FY2026 - FY2030)



Absolute Value Goal

**Realize the
World's No.1
Cohesive Society**

Relative Value Goal

Market cap of **4** trillion yen

[Renaissance]

Return to “human-centered” induced by
AI × sensitivity

[Rebirth]

Rebirth of “beyond-manufacturing” to
dominate emerging markets

[Resonance]

Maximize “co-created value” with
customers and society

➤ Transform into a lifelong partner through the “3 Rs”

Renaissance

**Return to “human-centered”
induced by AI × sensitivity**

Through the utilization of AI, stay close to people's pain and discomfort, eliminate potential discomfort, and maximize the reproducibility of hits

**Create “absolute value”
that competitors cannot imitate**

Rebirth

**Rebirth of “beyond-manufacturing”
to dominate emerging markets**

Transition to “optimal production” through the utilization of OEM. Capture emerging market growth (volume zone) with overwhelming speed and cost competitiveness

**Achieve both “market share
growth” and “profitability
improvement” in emerging markets**

Resonance

**Maximize “co-created value”
with customers and society**

Sublimating social issue resolution into a growth engine based on Love Your Possibilities

**Maximize corporate value (PBR)
and sustainable growth**

**Realize discontinuous growth through structural
transformation based on the “3 Rs”**



[Renaissance]

Return to “human-centered” induced by AI × sensitivity

[Rebirth]

Rebirth of “beyond-manufacturing” to dominate emerging markets

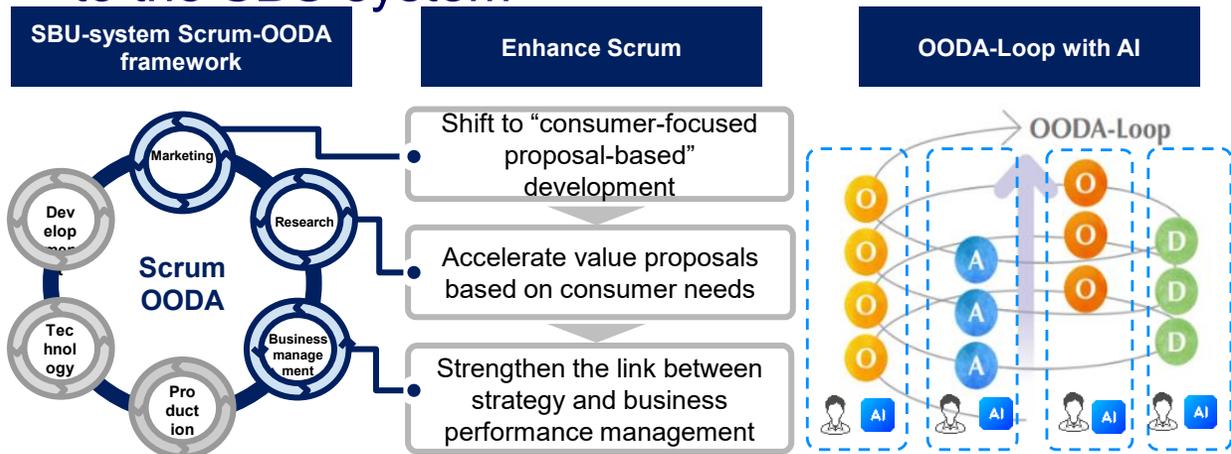
[Resonance]

Maximize “co-created value” with customers and society

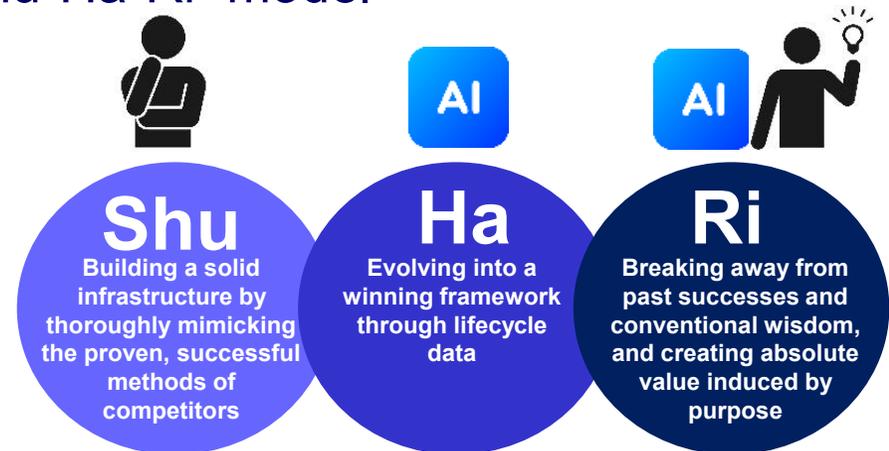
- Establish a competitive advantage through lifecycle insights



- Realize an agile OODA -Loop through transition to the SBU system



- Accelerate strategy execution speed with AI-powered decision-making based on the “Shu-Ha-Ri” model

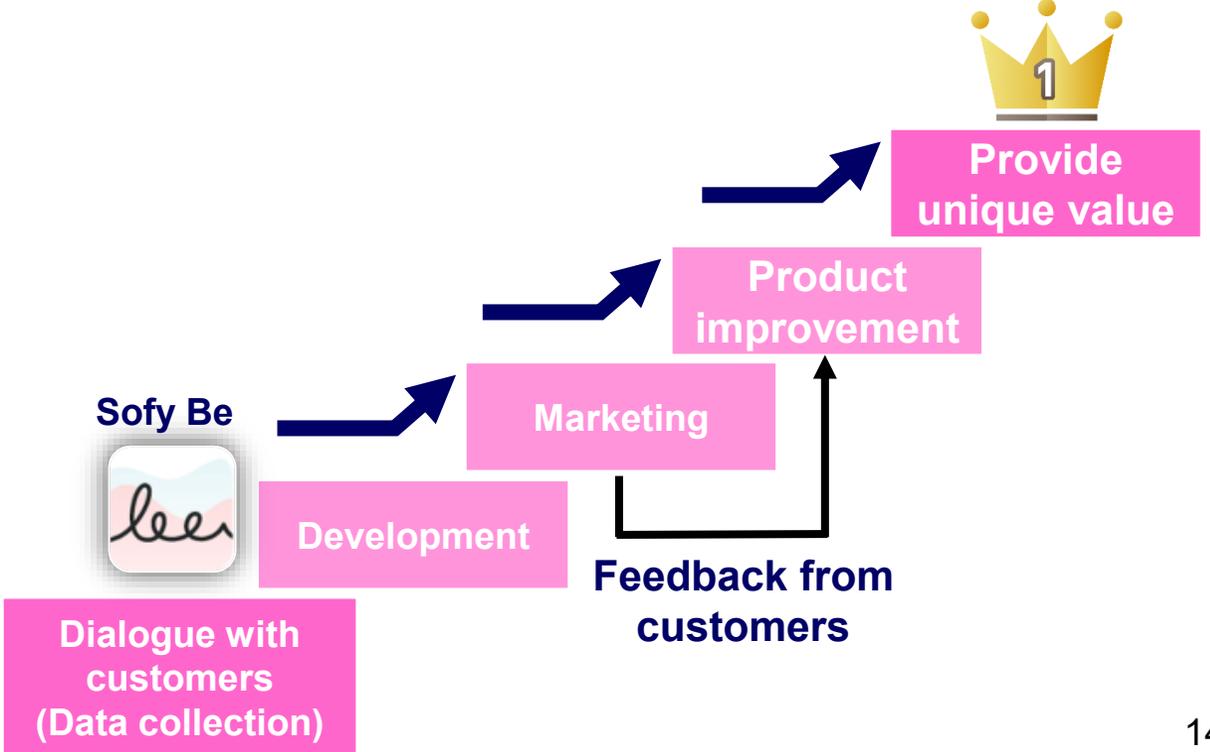
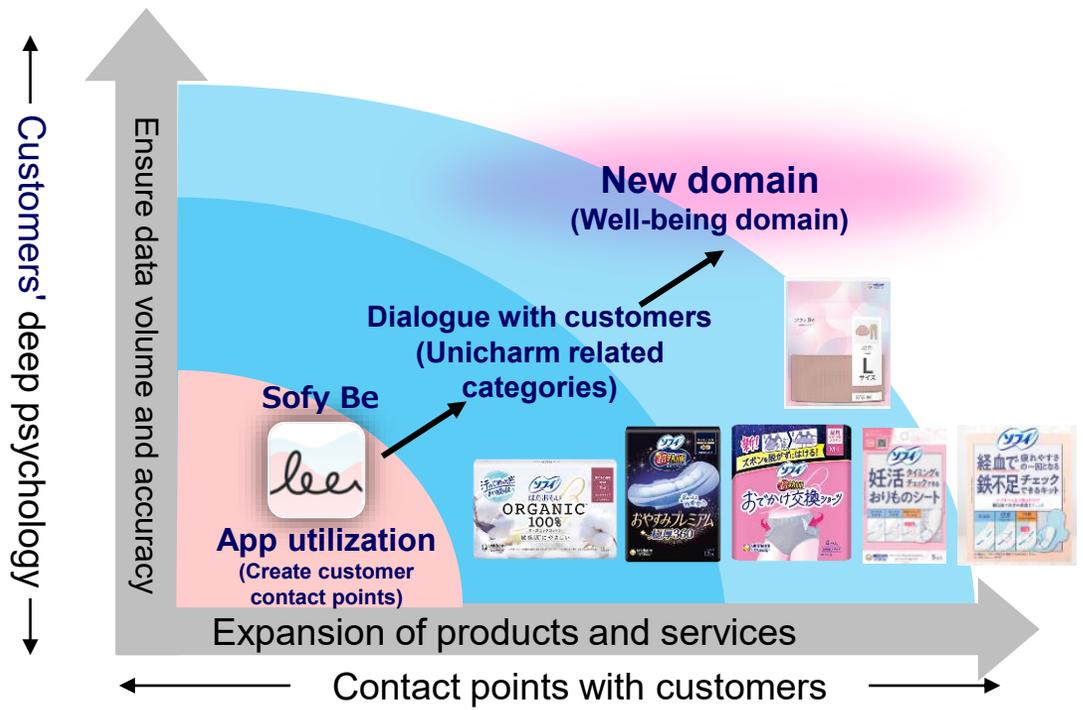


- Understanding customer contact points and deep psychology, and expand our reach

Expand contact points from “points” to “lines (daily life)” to improve customer clarity. Carve out high-profit premium markets with “personalized products” that cater to each individual

“Sofy Be” AI Agent

Build “co-creation” relationships with customers





[Renaissance]

Return to “human-centered” induced by AI × sensitivity

[Rebirth]

Rebirth of “beyond-manufacturing” to dominate emerging markets

[Resonance]

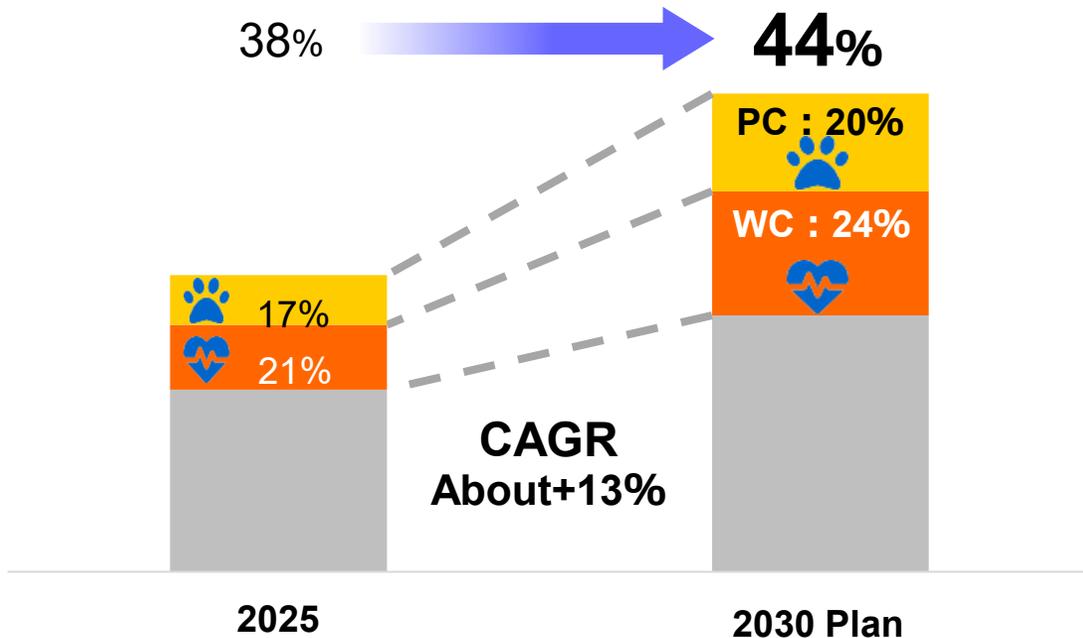
Maximize “co-created value” with customers and society

Rebirth of “beyond-manufacturing” to dominate emerging markets

➤ Continue business portfolio reform

Concentrate management resources on PC and WC, growth drivers, simultaneously realize profitability improvement through strategic utilization of OEM and top-line growth through horizontal expansion of successful models and creation of new markets

Sales Mix Plan for PC and WC



PC

- ✓ Horizontal deployment of successful models
- ✓ Build an EC organizational structure
- ✓ JIA PETS and OEM utilization

WC

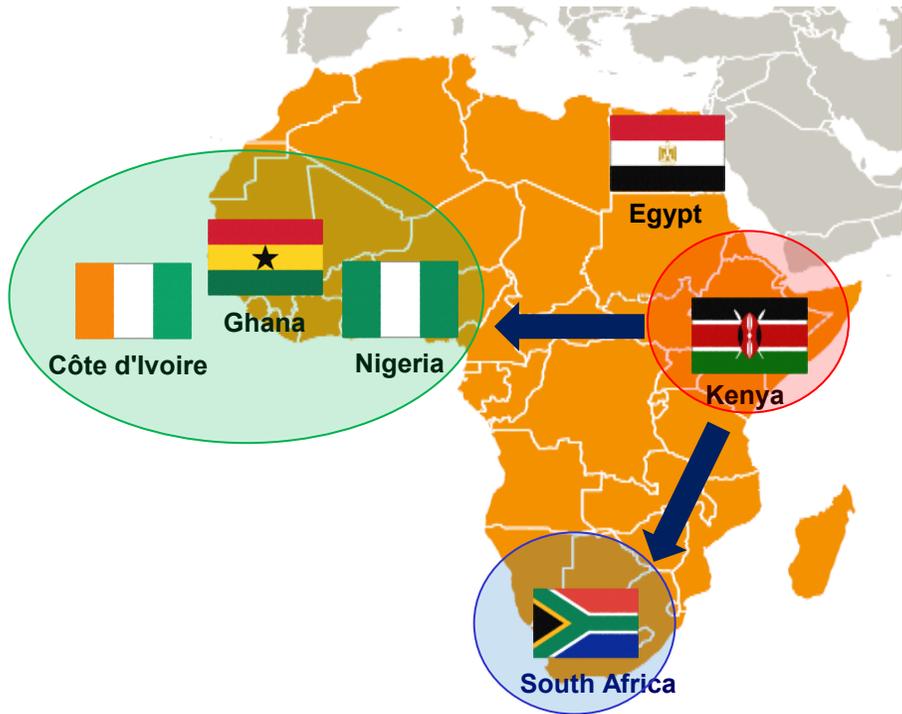
- ✓ Strategic utilization of OEM
- ✓ Light market creation
- ✓ Excretory independence support



➤ Accelerate Global South expansion

Using “speed and cost competitiveness” and “unique value” through OEM/ODM as weapons, capture the approximately 600 billion yen FC/BC market

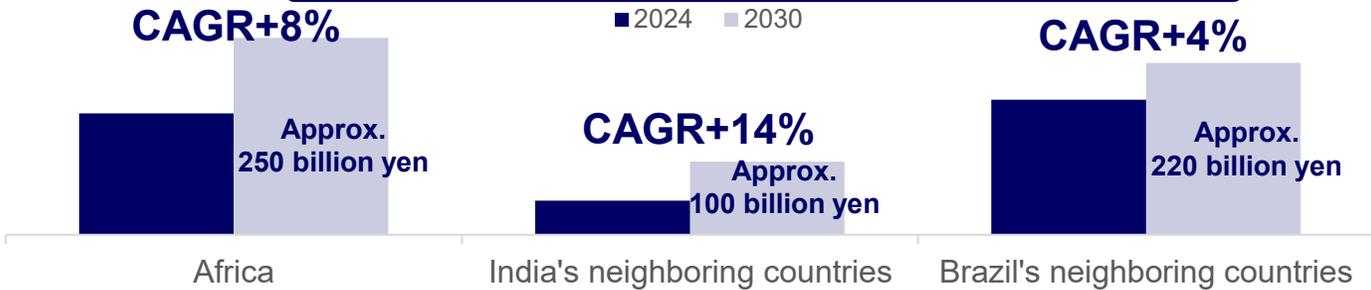
African expansion



India and Brazil neighboring countries expansion

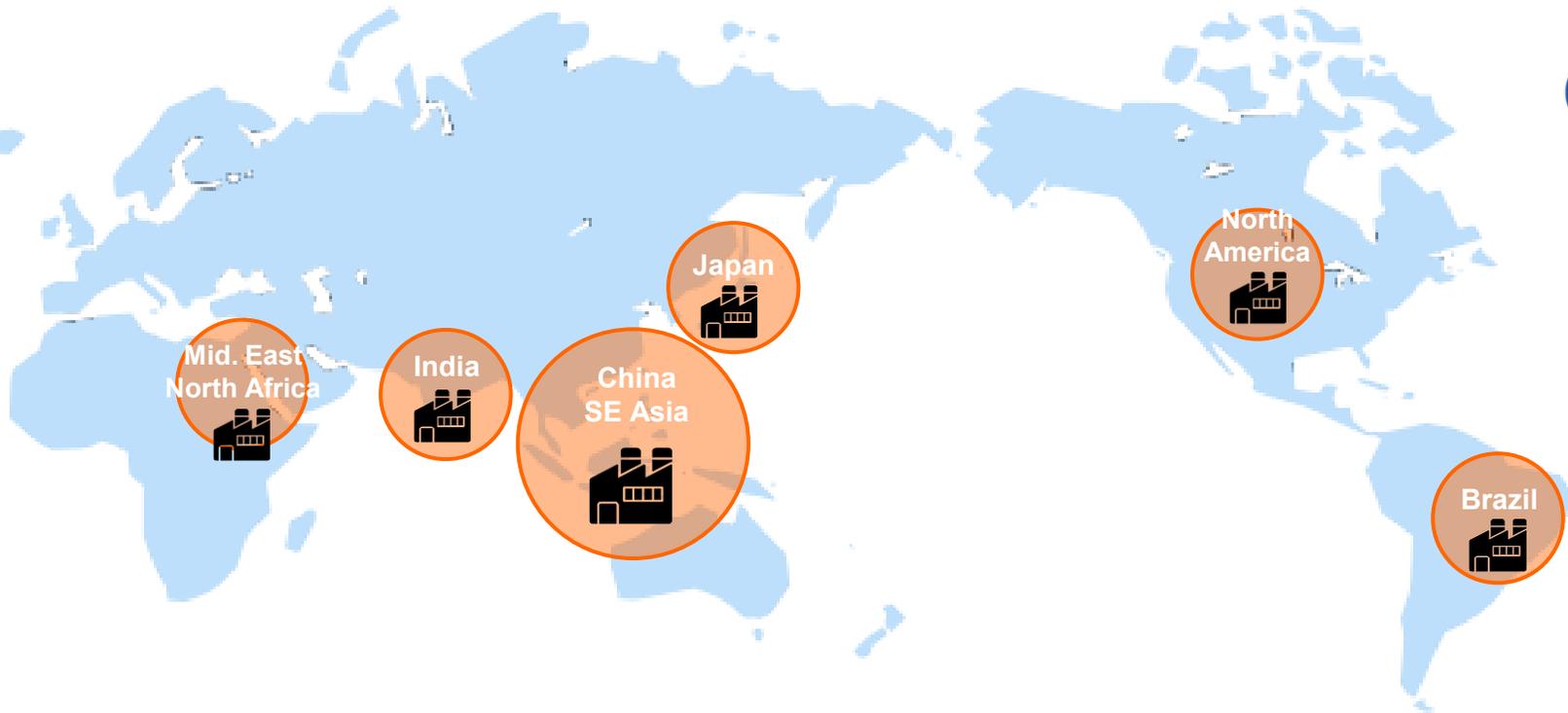


FC/BC market scale (Amount)



➤ Optimize cost structures and reform supply chains

Achieve overwhelming cost competitiveness and speed by strategically utilizing OEM/ODM and optimizing each area through AI and data integration



- (1): Improved productivity, quality, and cost competitiveness
Optimized to regional characteristics
 - (2): Reduced procurement to delivery costs
 - (3): Shortened lead times
 - (4): Improved ROI
- AI



[Renaissance]

Return to “human-centered” induced by AI × sensitivity

[Rebirth]

Rebirth of “beyond-manufacturing” to dominate emerging markets

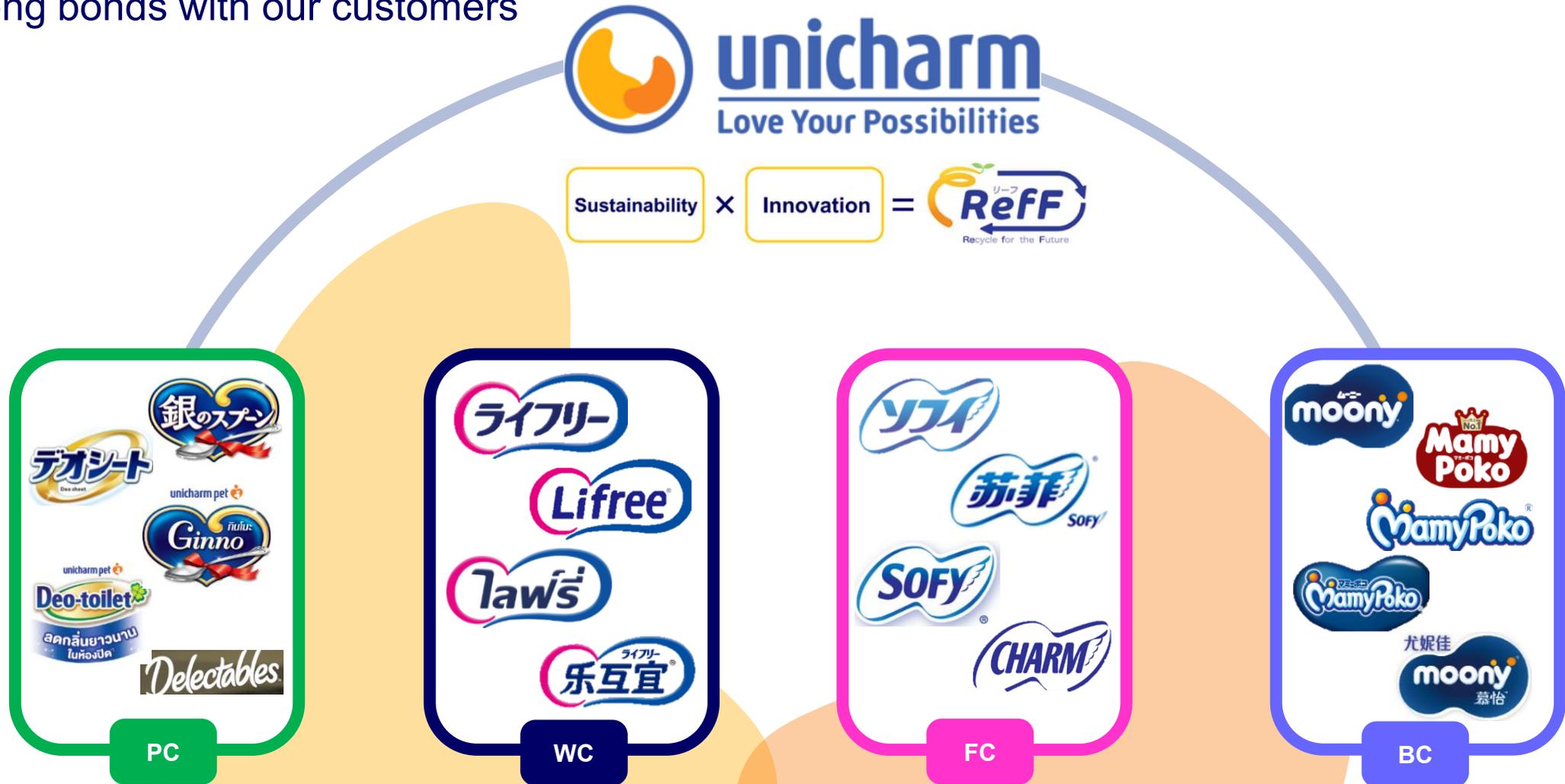
[Resonance]

Maximize “co-created value” with customers and society

[Resonance] Maximizing corporate value through enhanced awareness of Love Your Possibilities (LYPs)



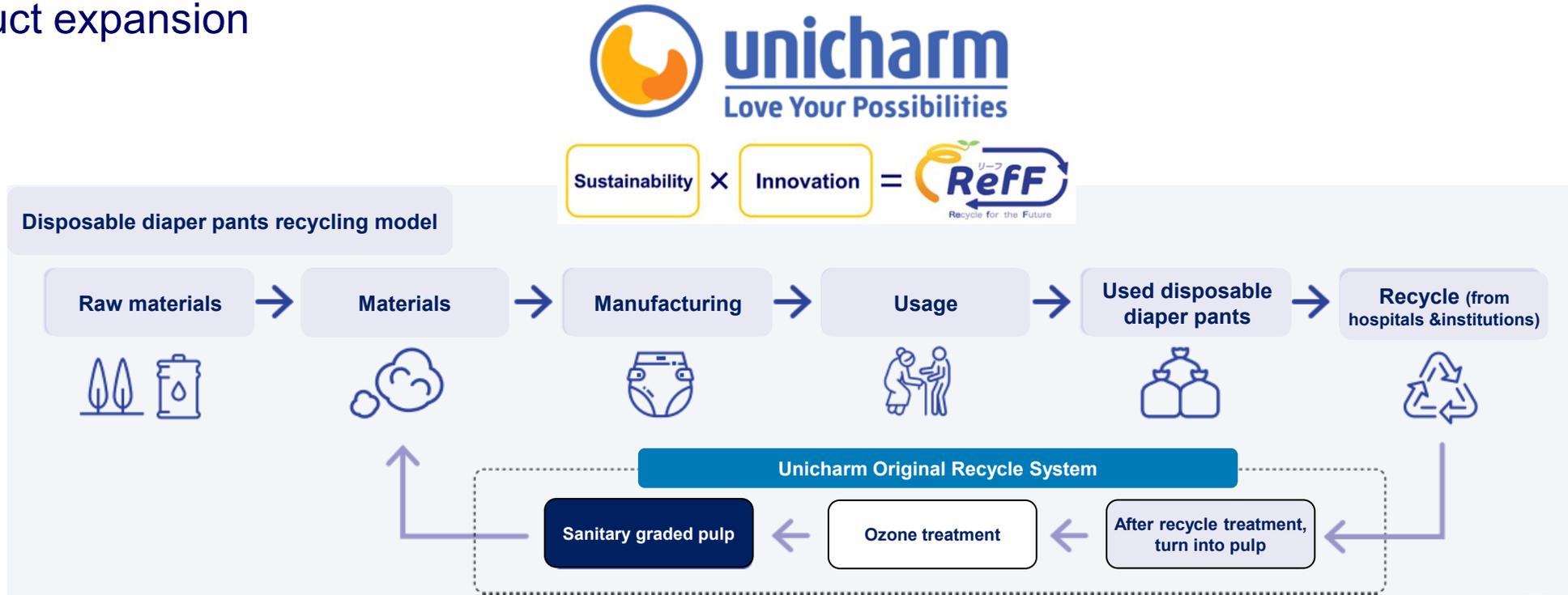
- By placing LYPs philosophy at the core of all domestic and international operations, will build strong bonds with our customers



[Resonance] Maximizing corporate value through enhanced awareness of Love Your Possibilities (LYPs)

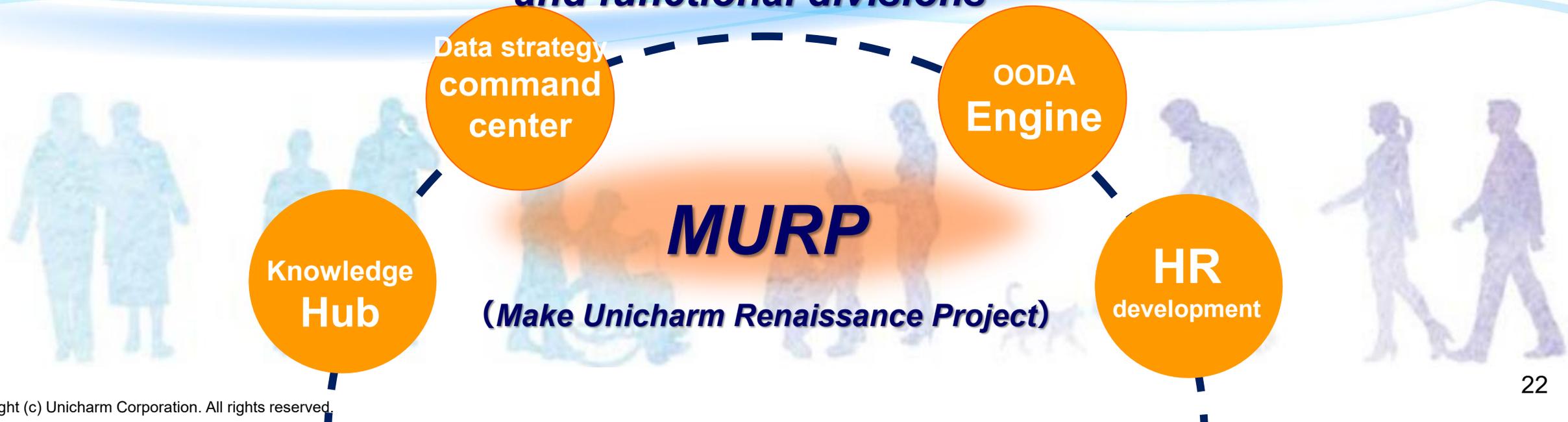


- Establish a brand image that embodies “LYPs” both domestically and internationally through RefF product expansion





Launch a strategic execution project spanning all SBUs and functional divisions



Financial Targets for Year 2030

Setting ambitious targets of **1.5 trillion yen** in sales and ROE of **17%** as a “**key test for becoming the world's No.1**”

Aiming for top-tier profitability and capital efficiency

Commitment

Sales: **1.3 trillion yen**
(Approx. 7% CAGR*)

Core Operating Income Rate: **15%**

ROE: **15%**

Challenge

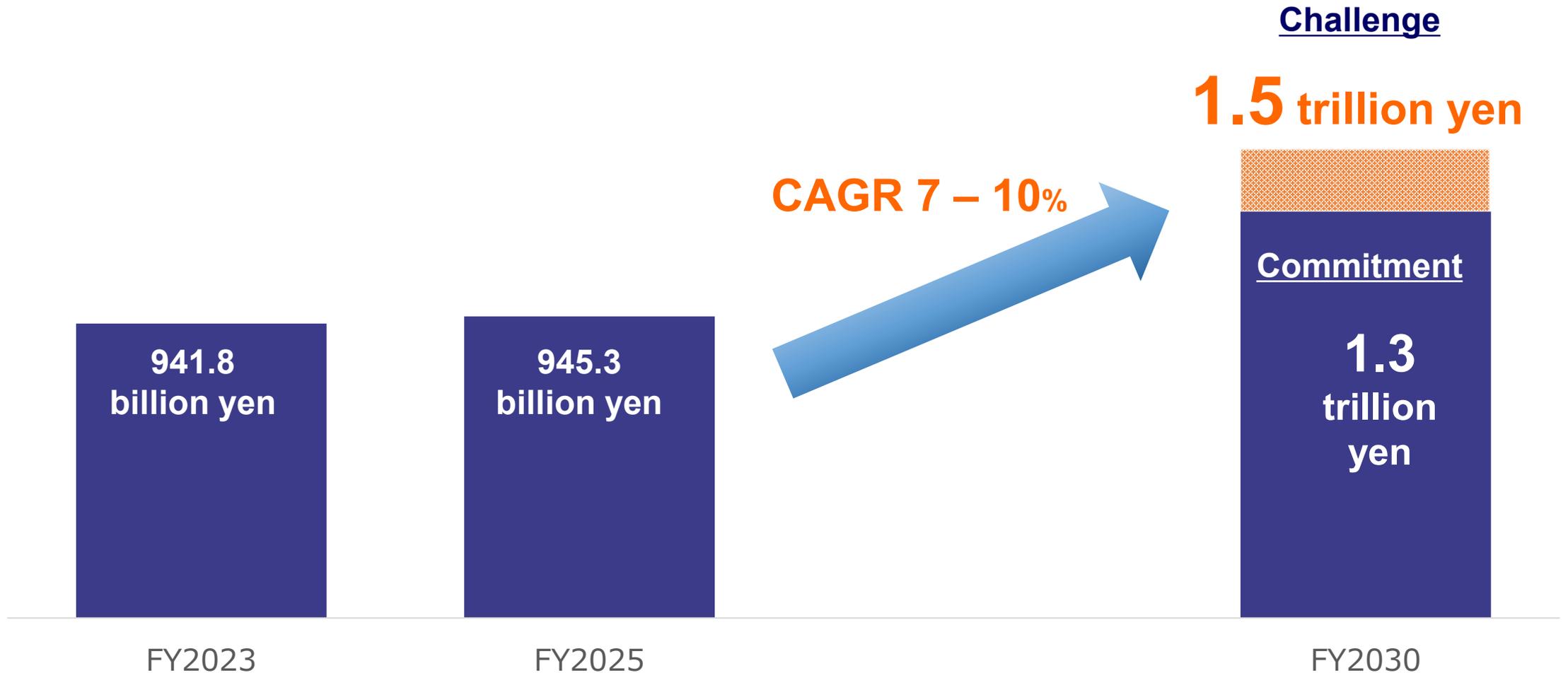
Sales: **1.5 trillion yen**
(Approx. 10%* CAGR)

Core Operating Income Rate: **17%**

ROE: **17%**

*Annual average growth rate from 2025 to 2030

Solid achievement for sales of “1.3 trillion yen” and boldly challenge toward “1.5 trillion yen”, key test to become the World's No. 1



Pathway to 17% ROE

Financial Renaissance, Induced by Business Growth and Restructuring of Capital Policy

Guidelines for PBR maximization:

Achieve V-shaped recovery in corporate value through dual approach of business growth and restructuring capital policy (Rebirth)



Increase total return ratio from 50% to 65% to achieve structural improvement in ROE, while curbing net assets (denominator)

Previous Capital Policy

Total payout ratio

50% or more

- PBR at 2x and stagnating
- ROE around 10%

Rebirth
(Fundamental review)

13th Mid-term Management Plan Capital Policy Guidelines

Total payout ratio

65% or more

(5 continuous years)

DOE

of over **4.5%**

(Continue consecutive dividend increases)

**Maximizing capital efficiency /
Improve PBR**

Specific Actions:

Transparency in dividend increase outlook and flexibly purchase own shares

Reduce denominator (number of shares) to accelerate EPS (earnings per share) growth while avoiding a sharp increase in fixed dividend burden

Action 1: Dividend increase schedule



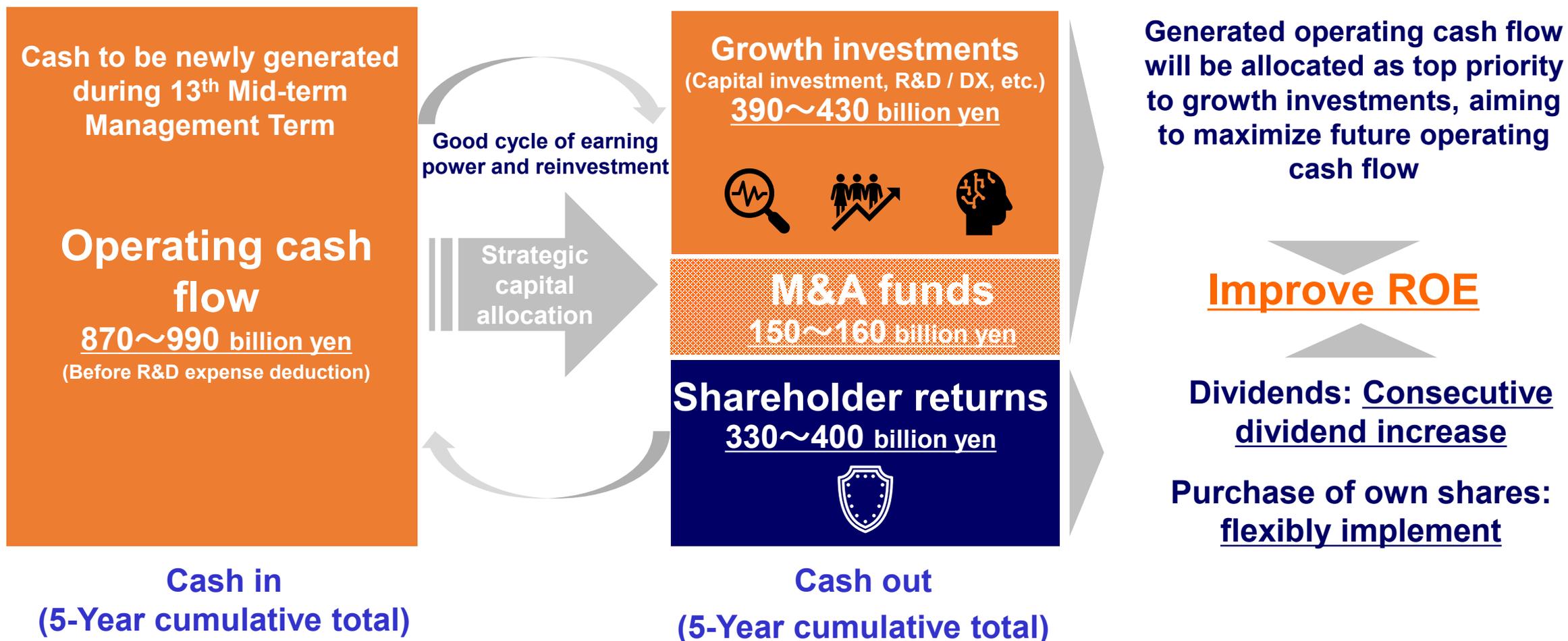
Action 2: Flexible purchase of own shares

- Difference (approx. 25 to 30%) between total return ratio of 65% and total dividend amount will be allocated entirely to purchase of own shares
- In 2026, continue to closely monitor stock market trends and flexibly consider additional acquisitions as needed

Cash Flow Allocation: Reinvestment in “steady profit growth” and optimization of capital structure

Operating cash flow (C/F) **will be allocated** with **top priority to growth investments** aimed at future profit expansion

Meanwhile, **total return ratio of 65% (guideline)** will curb expansion of net assets



“Rebirth” scenario for ROE of 17%:

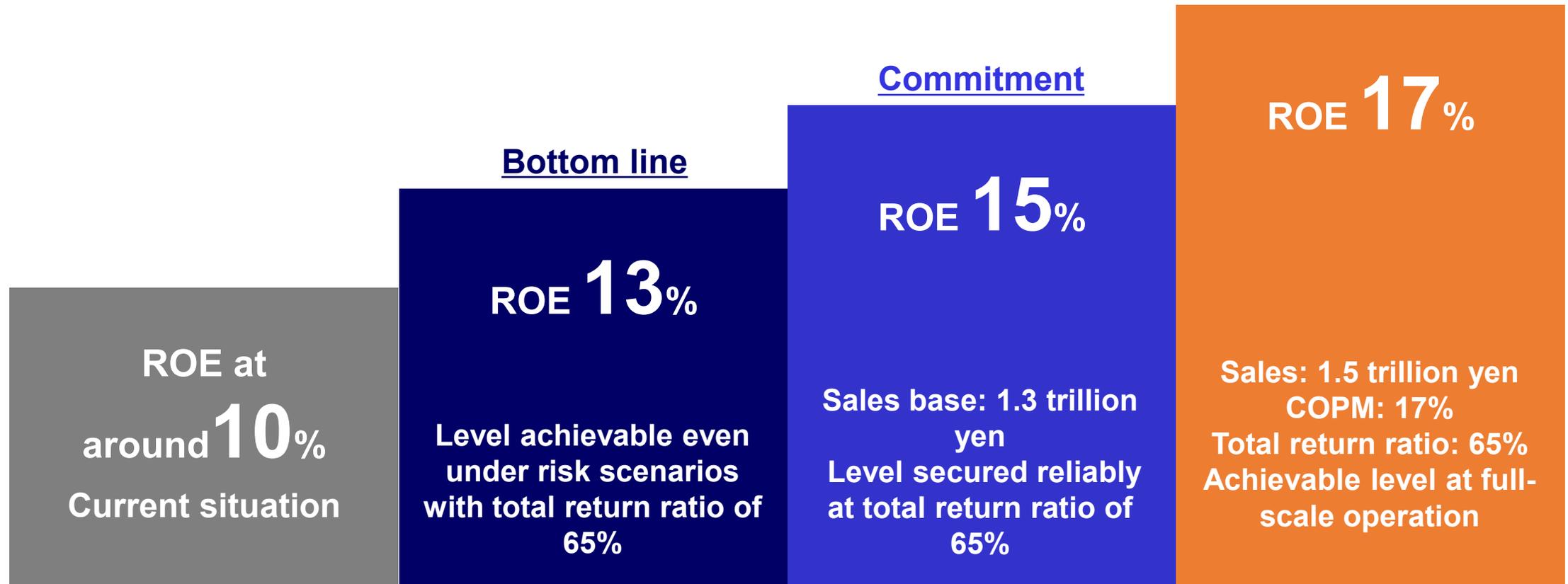
Pathway to 17% ROE: Achieved through “business growth” × “total return ratio of 65%”



Give “top priority to business growth (numerator)” while thoroughly “optimizing capital (denominator)” through total return ratio of 65%

By fully driving these two wheels, aiming to achieve challenge goal of achieving ROE of 17%

Challenge



Conclusion

1. Business growth:

Challenge for sales of **1.5 trillion yen**, core operating income rate of **17%**

2. Capital policy: (5-Year Guideline)

Increase ROE through total return ratio of **65%** and DOE exceeding **4.5%**

3. Results:

Position 13th Mid-term Management Plan period as “period focused on business growth and capital optimization” to achieve reevaluation of PBR and dramatic increase in shareholder value



We support the Sustainable Development Goals (SDGs).

